



Department
Of
Economic and Community Development
59 Statehouse Station
Augusta, Maine 04333

POLICY STATEMENT #2

Subject: ***CDBG Program Administration Limits***

Revised: **04/03**

The CDBG program allows for a set amount of the grant award to be expended for program administration and program delivery costs. The established limits for the available programs are listed below:

Housing Assistance - This program allows expenditures for general and rehab administration. The total general administration expenditures may not exceed 10% of the grant amount. However, the total expenditures for both general and rehab administration may not exceed \$45,000 for programs completing up to thirty housing units. An additional \$1,500 in combined administration will be allowed for each unit completed beyond thirty up to a maximum combined administration total of \$60,000.

Public Facilities, Public Infrastructure, Economic Development Infrastructure Programs, Public Service and Downtown Revitalization Programs – General administration expenditures may not exceed 10 percent of the total grant award.

Urgent Need, Regional Assistance Fund and Business Assistance - General administration expenditures will be allowed only in very limited instances, determined on a case by case basis, and may not exceed 10% of the grant amount.

Micro-Loan - General administration expenditures may not exceed 10% of the grant amount. Program delivery costs are also allowed for this program and are not included in the "general administration" amount. These costs include those associated with processing the micro-loan applications. Program delivery costs will be reviewed by this office on a grant by grant basis and must be approved prior to issuance of a grant contract.

Development Fund - Administration is not an allowable expenditure.